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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**Contact:** Scott Grosz, Principal Attorney

**2023 Senate Bill 668**

**Senate  
Amendments 1, 2, and 3**

### **2023 SENATE BILL 668**

2023 Senate Bill 668 makes various changes to laws administered by the Department of Financial Institutions (DFI), including revision of the department's licensing system for nondepository financial service providers, adoption of model legislation relating to money transmission, modification of fees for collection agencies, and other revisions.

### **SENATE AMENDMENT 1**

Current law, s. 138.09, Stats., requires a person to obtain a license from the DFI's Division of Banking prior to undertaking certain lending activities. Among the regulations imposed on such a licensee, s. 138.09 (7) (i), Stats., describes certain charges that a licensee may charge in connection with a loan, in addition to interest. Senate Amendment 1 expands the list of authorized charges to include nonrefundable, prepaid finance charges on consumer loans, subject to certain conditions on the amount of the charge that are based on the amount financed, whether the consumer loan is secured by an interest in real property or a mobile or manufactured home, and whether the finance charge is prepaid from the proceeds of a new loan made by the same licensee.

### **SENATE AMENDMENT 2**

Under the Achieving a Better Life Experience (ABLE) Act, current federal law allows for the establishment of tax-advantaged savings accounts for certain individuals with disabilities. Income from an account is tax-free when used for certain disability-related expenses. Under current state law, a Wisconsin resident may establish an ABLE account in another state, but Wisconsin does not have its own ABLE program. Senate Amendment 2 amends the bill to require the department to implement a qualified ABLE program under s. 529A of the Internal Revenue Code, allowing tax-exempt accounts for qualified expenses incurred by individuals with disabilities to be established under Wisconsin law.<sup>1</sup>

### **SENATE AMENDMENT 3**

Senate Amendment 3 exempts persons providing payroll processing services from the provisions of the bill adopting model legislation relating to money transmission, except to the extent such persons offer money transmission services or provide stored value cards directly to individual consumers.

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<sup>1</sup> See, also, 2023 Assembly Bill 121 and 2023 Senate Bill 122.

## **BILL HISTORY**

2023 Senate Bill 668 was introduced by Senator Knodl on November 9, 2023. On January 10, 2024, Senator Knodl offered Senate Amendments 1, 2, and 3 to the bill. On January 11, 2024, the Senate Committee on Shared Revenue, Elections and Consumer Protection recommended adoption of Senate Amendment 1 on a vote of Ayes, 5; Noes, 0; recommended adoption of Senate Amendment 2 on a vote of Ayes, 5; Noes, 0; recommended adoption of Senate Amendment 3 on a vote of Ayes, 3; Noes, 2; and recommended passage of Senate Bill 668, as amended, on a vote of Ayes, 5; Noes, 0.

For a full history of the bill, visit the Legislature's [bill history page](#).

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